

Committee on Ways and Means

Medicare Rx Drugs: November 15th is First Sign-Up Day

The Four Ws of the New Medicare Prescription Drug Benefit

WHO should sign up?

- Everyone enrolled in Medicare can join a drug plan to get this coverage.
- Even if a senior doesn't use a lot of prescription drugs now, he/she should still consider joining a Medicare drug plan. As we age, most people need prescription drugs to stay healthy and the drug benefit provides insurance against future high drug costs.

WHAT benefits can I expect from signing up?

- For the first time since it was established in 1965, Medicare will offer outpatient prescription drug coverage to America's seniors.
- It's voluntary. Seniors already enjoying employer-sponsored benefits can keep that coverage.
- Consumers can choose from at least 10 national plans and additional regional or state plans, depending on where they live, that cover brand name and generic drugs.
- Introducing competition to the Medicare program has had the intended effect – it is driving down prices; there are some plans that have zero premiums, some that have zero deductibles, etc.
- CMS estimates that the prescription drug benefit, on average, will cover about half of a person's drug costs next year.
- Those with low incomes will save even more. About one-third of all people with Medicare will qualify for extra help that will cover between 85 percent and almost 100 percent of prescription drug costs. You may qualify for additional assistance if your resources are less than \$11,500 if you are single or \$23,000 if you are married and living with your spouse.
- If needed, seniors can revisit their options and change their Medicare plan every year.

WHERE do I get information about signing up?

- Call 1-800-MEDICARE (1-800-633-4227) and talk to a Medicare representative, 24 hours a day, seven days a week.
- The *Medicare & You* handbook and other helpful information can be found at: www.medicare.gov.
- Contact your Member of Congress for sign-up information, or visit the Ways and Means Committee website for helpful phone numbers: <http://waysandmeans.house.gov/media/pdf/healthdocs/shipcontact.pdf>
- Look for information about the drug benefit in your local newspaper, at your local pharmacy or area senior centers.

WHEN

- Seniors can begin signing up for the drug benefit on **November 15, 2005**.
- The benefits will be available beginning January 1, 2006.
- Sign up for a stand-alone prescription drug plan by May 15, 2006 to avoid incurring a small penalty.